

rebuild after emergencies from burdensome regulations imposed by the Davis-Bacon Act.

As Chairman of the Senate Commerce Subcommittee on Disaster Prevention and Prediction, I traveled to the gulf coast to see the destruction caused by Hurricane Katrina. My heart went out to the victims and their families, and my hope was to see the infrastructure there restored as quickly as possible to avoid further destruction and loss of life. Unfortunately, Federal law places barriers on our efforts to respond to Hurricane Katrina quickly and efficiently.

The Inspector General at the U.S. Department of Labor concluded in a May 2004 report that 84 percent of Davis-Bacon wage determination surveys take more than a year and a half to complete, forcing emergency projects to use outdated wage determinations and to suffer needless delays. The Davis-Bacon Act also prohibits the use of entry-level workers classified as "helpers" on federally funded projects, and artificially raises construction costs by up to 33 percent. Furthermore, the Davis-Bacon Act discourages many small businesses from bidding on public projects, because contractors who are unfamiliar with the complex set of laws and regulations often choose not to participate in reconstruction efforts or end up being cited or sued for naively violating laws.

For these reasons, Davis-Bacon regulations were suspended by Executive Order 11 days after Hurricane Katrina ravaged the Gulf Coast. Knowing what we know now, it is unconscionable for us to force victims of future disasters to suffer through any waiting period before we remove barriers to reconstruction. The CARE Act would automatically trigger a year-long suspension of Davis-Bacon Act rules in all future disaster sites that receive an emergency declaration from the President.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cleanup and Reconstruction Enhancement Act" or "CARE Act".

SEC. 2. SUSPENSION OF DAVIS-BACON WAGE REQUIREMENTS IN NATIONAL DISASTER AREAS.

Section 3147 of title 40, United States Code, is amended by adding at the end the following: "In any area that the President determines to be a major disaster under section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)), the provisions of this subchapter shall not apply for a period of 1 year from the date on which the President makes such determination."

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 264—EXPRESSING SYMPATHY FOR THE PEOPLE OF INDONESIA IN THE AFTERMATH OF THE DEADLY TERRORIST ATTACKS IN BALI ON OCTOBER 1, 2005

Mr. FRIST (for himself, Mr. REID, Mr. BUNNING, Mr. FEINGOLD, and Mr. MARTINEZ) submitted the following resolution; which was considered and agreed to:

S. RES. 264

Whereas terrorists have planned and conducted attacks around the world since September 11, 2001, including the bombing of a night club on the Indonesian island of Bali on October 12, 2002, that killed 202 people and injured 209, the bombings of two synagogues and the British Embassy in Istanbul, Turkey, in November 2003, that killed 56 people and injured more than 450, the bombing of the train system in Madrid, Spain, on March 11, 2004, that killed more than 190 people and injured approximately 1,500, and the bombing of London's public transportation system during the morning rush hour on July 7, 2005, that killed 52 people and injured approximately 700;

Whereas terrorists have struck Indonesia on multiple occasions, including the December 5, 2002, bombing of a McDonald's restaurant on Sulawesi Island that killed 3 people and injured 11, the August 5, 2003, bombing of the J.W. Marriott Hotel in Jakarta that killed 12 people and injured 150, and the September 9, 2004, bombing of the Australian Embassy in Jakarta that killed 11 people and injured 100;

Whereas on October 1, 2005, terrorists again struck the popular Indonesian resort island of Bali, detonating explosives in three crowded restaurants that killed at least 19 innocent Indonesian civilians and foreign tourists from around the world and injuring approximately 132 others, including at least 6 citizens of the United States;

Whereas the terrorist attacks in Bali, Indonesia were senseless, barbaric, and depraved acts carried out against innocent civilians;

Whereas Indonesia is a friend and ally of the United States and in the past has endured terrorism against its civilians;

Whereas the people of the United States stand in solidarity with the people of Indonesia in fighting terrorism;

Whereas the United States immediately condemned the terrorist attacks and extended the condolences of the people of the United States to the people of Indonesia; and

Whereas Secretary of State Condoleezza Rice denounced the terrorist attacks on Bali, Indonesia, and stated, "The United States stands with the people and government of Indonesia as they work to bring to justice those responsible for these acts of terrorism. We will continue to work together in our common fight against terror." Now, therefore, be it

Resolved, That the Senate—

(1) expresses deepest sympathies and condolences to the people of Indonesia and the victims and their families of the heinous terrorist attacks that occurred on the Indonesian island of Bali on October 1, 2005;

(2) condemns these barbaric and unwarranted attacks on the innocent people of Indonesia and foreign tourists;

(3) expresses strong and continued solidarity with the people of Indonesia in opposing extremism and pledges to remain shoulder-to-shoulder with the people of Indonesia

to bring the terrorists responsible for these and other brutal acts of violence to justice; and

(4) calls upon the international community to renew and strengthen efforts to—

(A) defeat terrorists by dismantling terrorist networks and exposing the violent and nihilistic ideology of terrorism;

(B) increase international cooperation to advance personal and religious freedoms, ethnic and racial tolerance, political liberty and pluralism, and economic prosperity; and

(C) combat the social injustice, oppression, poverty, and extremism that contributes to terrorism.

Mr. KERRY (for himself, Mr. SCHUMER, and Mrs. CLINTON):

S. 1818. A bill to amend the Internal Revenue Code of 1986 to allow the manufacturing deduction provided by the American Jobs Creation Act of 2004 with respect to income attributable to domestic production activities in any possession of the United States, and for other purposes; to the Committee on Finance.

Mr. KERRY. Mr. President, the manufacturing deduction provided by the American Jobs Creation Act of 2004 does not include income from goods produced in any possession of the United States. Today along with Senators CLINTON and SCHUMER, I am introducing legislation which would allow the manufacturing deduction to include income attributable to domestic production in possessions of the United States. This legislation would make the manufacturing deduction available only for the possession income of U.S. residents.

During the Senate Finance markup of the manufacturing deduction, I offered an amendment that would extend this deduction to income from goods produced in the possessions of the United States. The amendment was agreed to by the Finance Committee, but unfortunately the provision was not included in the conference agreement. I do not know why the Republican chaired conference committee removed this provision so important to the people of Puerto Rico and elsewhere.

Most United States businesses that operate in the possessions use the possessions tax credit or the Puerto Rican economic activities credits. In 1996, Congress passed the Small Business Job Protection Act of 1996 which included a provision that phased-out the tax credits and completely repeals them beginning in 2006.

The legislation that I am introducing today would help the businesses that are no longer able to benefit from these credits. More importantly, this legislation provides an equitable solution. There is no reason why companies operating in the possessions should not receive the same manufacturing deduction as companies operating in the mainland United States, Alaska, or Hawaii.